A BILL FOR AN ACT

CONCERNING THE REPORTING OF EXPENDITURES BY LOCAL EDUCATION PROVIDERS.

Bill Summary

(Note: This summary applies to this bill as introduced and does not reflect any amendments that may be subsequently adopted. If this bill passes third reading in the house of introduction, a bill summary that applies to the reengrossed version of this bill will be available at http://www.leg.state.co.us/billsummaries.)

Under current law, each school district, board of cooperative services, and charter school and the state charter school institute (local education provider) is required to post on its web site the local education provider's actual expenditures, including actual salary expenditures and actual benefit expenditures, at the local education provider level and at the school-site level. The bill requires the local education providers to
submit this information to the department of education for posting on the department's financial transparency web site rather than requiring each local education provider to post it on its local web site.

Be it enacted by the General Assembly of the State of Colorado:

SECTION 1. In Colorado Revised Statutes, 22-44-105, amend as it exists until proclamation of the governor (4) (b) (II), (4) (b) (III), and (4) (e) (I); repeal (4) (c); and add (4) (b) (IV) and (4) (d.5) as follows:

22-44-105. Budget - contents - mandatory. (4) (b) In implementing and maintaining the financial and human resource reporting system pursuant to paragraph (a) of this section, the state board of education shall adhere to, but is not limited to, the following guidelines:

(II) The reporting system must provide standard definitions for employment positions such that full, accurate disclosure of administrative costs is made within the budgets and the financial statements of every school district; and

(III) The reporting system must make it possible to collect comparable data by program and school site; AND

(IV) THE REPORTING SYSTEM MUST REQUIRE AND THE STANDARD CHART OF ACCOUNTS MUST INCLUDE THE REPORTING OF ACTUAL EXPENDITURES, INCLUDING BUT NOT LIMITED TO ACTUAL SALARY EXPENDITURES AND ACTUAL BENEFIT EXPENDITURES REPORTED BY JOB CATEGORY SPECIFIED IN THE STANDARD CHART OF ACCOUNTS, AT THE SCHOOL-SITE LEVEL, SCHOOL DISTRICT LEVEL, STATE CHARTER SCHOOL INSTITUTE LEVEL, AND BOARD OF COOPERATIVE SERVICES LEVEL.

(c) Nothing in this section shall be interpreted to require accounting of salary and benefit costs by school site.
(d.5) The department shall collect, review, and standardize the financial data reported by charter schools, school districts, the state charter school institute, and boards of cooperative services pursuant to this subsection (4) to ensure the greatest level of transparency and comparability of expenditures among school sites, school districts, the state charter school institute, and boards of cooperative services. The department shall ensure that the data is posted on the web site created pursuant to paragraph (e) of this subsection (4).

(e) (I) The department shall issue a request for proposals and contract for the creation of a web site view that, at a minimum, translates the expenditures for each of the major categories specified in the chart of accounts for school sites, school districts, the state charter school institute, and boards of cooperative services, as posted on the web site maintained reported by each local education provider pursuant to section 22-44-304 through the reporting system and standardized by the department, into a format that is readable by a layperson. The department and the entity with which the department contracts, if any, shall work with the financial policies and procedures advisory committee and a representative from the office of state planning and budgeting in designing the presentation of data on the web site view to ensure the greatest degree of clarity and comparability by laypersons of expenditures among school sites, school districts, the state charter school institute, and boards of cooperative services.

SECTION 2. In Colorado Revised Statutes, 22-44-304, amend (3) (a); and repeal (1) (d) as follows:

22-44-304. Financial reporting - on-line access to information
- repeal. (1) (d) Additionally, commencing July 1, 2015, each local education provider shall post in a format that can be downloaded and sorted, for free public access, the local education provider's actual expenditures, including but not limited to actual salary expenditures and actual benefit expenditures reported by job category specified in the standard chart of accounts, at the local education provider level and at the school-site level.

(3) (a) Each local education provider shall update the information specified in paragraphs (a), (b), and (c) of subsection (1) of this section within sixty days after the local education provider's completion or receipt of the applicable report, statement, or document. Each local education provider shall update the information specified in paragraph (d) of subsection (1) of this section annually by a date specified by the financial policies and procedures advisory committee.

SECTION 3. Safety clause. The general assembly hereby finds, determines, and declares that this act is necessary for the immediate preservation of the public peace, health, and safety.